

**EIGHTY-FIFTH GENERAL ASSEMBLY
2013 REGULAR SESSION
DAILY
HOUSE CLIP SHEET**

APRIL 9, 2013

**Senate Amendment to
HOUSE FILE 210**

H-1267

1 Amend House File 210, as passed by the House, as
2 follows:

- 3 1. Page 1, by striking lines 26 through 34.
4 2. By renumbering as necessary.

RECEIVED FROM THE SENATE

H-1267 FILED APRIL 8, 2013

**Senate Amendment to
HOUSE FILE 197**

H-1266

1 Amend House File 197, as passed by the House, as
2 follows:

- 3 1. Page 1, line 3, by striking <Certification> and
4 inserting <Certification Beginning January 1, 2013,
5 certification>

6 2. Page 1, by striking lines 9 through 12 and
7 inserting:

8 <(1) For Beginning January 1, 2013, for a ~~two-year~~
9 three-year initial certification, seven hundred fifty
10 dollars.

11 (2) For Beginning January 1, 2013, for a ~~two-year~~
12 three-year recertification, one thousand dollars.

13 Sec. _____. EFFECTIVE UPON ENACTMENT. This Act,
14 being deemed of immediate importance, takes effect upon
15 enactment.

16 Sec. _____. RETROACTIVE APPLICABILITY. This
17 Act applies retroactively to January 1, 2013. The
18 department of inspections and appeals shall extend any
19 initial certification or recertification issued to an
20 adult day services program on or after January 1, 2013,
21 and prior to the enactment of this Act, to reflect the
22 three-year certification or recertification period
23 specified under this Act.

24 3. Title page, line 2, after <programs> by
25 inserting <and including effective date and retroactive
26 applicability provisions>

27 4. By renumbering as necessary.

RECEIVED FROM THE SENATE

H-1266 FILED APRIL 8, 2013

**Senate Amendment to
HOUSE FILE 472**

H-1262

1 Amend House File 472, as passed by the House, as
2 follows:

- 3 1. Page 1, line 13, after <therapist,> by inserting
4 <school nurse,>

RECEIVED FROM THE SENATE

H-1262 FILED APRIL 8, 2013

**Senate Amendment to
HOUSE FILE 556**

H-1263

1 Amend House File 556, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 137, lines 23 and 24, by striking <556.17,
4 subsection 2, paragraph "b"; and 572.34, subsections 5
5 through 8;> and inserting <and 556.17, subsection 2,
6 paragraph "b";>

RECEIVED FROM THE SENATE

H-1263 FILED APRIL 8, 2013

HOUSE FILE 617

H-1255

1 Amend House File 617 as follows:
2 1. By striking page 1, line 35, through page 2,
3 line 8, and inserting:
4 <2. An application for an initial license for an
5 ambulatory surgical center shall be accompanied by a
6 fee of fifty dollars.>

By L. MILLER of Scott

H-1255 FILED APRIL 8, 2013

HOUSE FILE 617

H-1260

1 Amend House File 617 as follows:
2 1. Page 1, by striking lines 8 through 16 and
3 inserting <hours following admission. "Ambulatory
4 surgical center" includes a facility certified or
5 seeking certification as an ambulatory surgical center
6 under the federal Medicare program or under the medical
7 assistance program established pursuant to chapter
8 249A. "Ambulatory surgical center" does not include
9 the individual or group practice office of a private
10 physician, podiatrist, or dentist who there engages in
11 the lawful practice of surgery, or the portion of a
12 licensed hospital designated for outpatient surgical
13 treatment.>
14 2. By striking page 1, line 35, through page 2,
15 line 8, and inserting:
16 <2. An application for an initial license for an
17 ambulatory surgical center shall be accompanied by a
18 fee of fifty dollars.>

By L. MILLER of Scott

H-1260 FILED APRIL 8, 2013

SENATE FILE 224

H-1259

1 Amend Senate File 224, as passed by the Senate, as
2 follows:

3 1. Page 1, after line 15 by inserting:

4 <Sec. _____. Section 321.190, subsection 1, paragraph
5 d, Code 2013, is amended to read as follows:

6 d. The fee for a nonoperator's identification
7 card shall be five eight dollars and the card shall
8 be valid for a period of five eight years from the
9 date of issuance. ~~A nonoperator's identification~~
10 ~~card shall be issued without expiration to anyone age~~
11 ~~seventy or over.~~ If an applicant for a nonoperator's
12 identification card is a foreign national who is
13 temporarily present in this state, the nonoperator's
14 identification card shall be issued only for the
15 length of time the foreign national is authorized to be
16 present as determined by the department, not to exceed
17 two years. An issuance fee shall not be charged for
18 a person whose driver's license or driving privilege
19 has been suspended under section 321.210, subsection
20 1, paragraph "a", subparagraph (3), or voluntarily
21 surrendered by the person in lieu of suspension under
22 section 321.210, subsection 1, paragraph "a".>

23 2. Page 1, after line 31 by inserting:

24 <Sec. _____. Section 321.196, subsection 1, Code
25 2013, is amended to read as follows:

26 1. Except as otherwise provided, if the licensee
27 is between the ages of seventeen years eleven months
28 and seventy-two years on the date of issuance of the
29 license, a driver's license, other than an instruction
30 permit, chauffeur's instruction permit, or commercial
31 driver's instruction permit issued under section
32 321.180, expires five eight years from the licensee's
33 birthday anniversary occurring in the year of issuance
34 ~~if the licensee is between the ages of seventeen years~~
35 ~~eleven months and seventy years on the date of issuance~~
36 ~~of the license, but not to exceed the licensee's~~
37 seventy-fourth birthday. If the licensee is under the
38 age of seventeen years eleven months or age ~~seventy~~
39 seventy-two or over, the license is effective for
40 a period of two years from the licensee's birthday
41 anniversary occurring in the year of issuance. A
42 licensee whose license is restricted due to vision
43 or other physical deficiencies may be required to
44 renew the license every two years. If a licensee
45 is a foreign national who is temporarily present in
46 this state, the license shall be issued only for the
47 length of time the foreign national is authorized to be
48 present as verified by the department, not to exceed
49 two years.

50 Sec. _____. EMERGENCY RULES. The department of

H-1259

1 transportation may adopt emergency rules under section
2 17A.4, subsection 3, and section 17A.5, subsection 2,
3 paragraph "b", to implement section 321.190, subsection
4 1, paragraph "d", as amended in this Act, and section
5 321.196, subsection 1, as amended in this Act, and the
6 rules shall be effective immediately upon filing unless
7 a later date is specified in the rules. Any rules
8 adopted in accordance with this section shall also be
9 published as a notice of intended action as provided
10 in section 17A.4. The rules established under this
11 authority may provide for a transition from five-year
12 to eight-year renewal periods for driver's licenses
13 and nonoperator's identification cards. During the
14 transition, the department may issue driver's licenses
15 and nonoperator's identification cards valid for
16 periods of five, six, seven, or eight years to equalize
17 renewal periods and applicants over succeeding years.

18 Sec. _____. EFFECTIVE UPON ENACTMENT. The following
19 provision or provisions of this Act, being deemed of
20 immediate importance, take effect upon enactment:

21 1. The section of this Act amending section
22 321.190, subsection 1, paragraph "d".

23 2. The section of this Act amending section
24 321.196, subsection 1.

25 3. The section of this Act relating to emergency
26 rules.>

27 3. Title page, line 1, after <to> by inserting
28 <the period of validity of driver's licenses and
29 nonoperator's identification cards,>

30 4. Title page, line 3, by striking <cards.> and
31 inserting <cards, and including effective date and
32 applicability provisions.>

33 5. By renumbering as necessary.

By MOORE of Jackson

SENATE FILE 272

H-1264

1 Amend Senate File 272, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 2, after line 10 by inserting:

4 <DIVISION ____
5 EMINENT DOMAIN

6 Sec. ____ . NEW SECTION. 6A.15 Property on state
7 historic registry.

8 1. Property listed on the state register of
9 historic places maintained by the historical division
10 of the department of cultural affairs shall not be
11 removed from the register solely for the purpose of
12 allowing acquisition of the property by condemnation,
13 unless such condemnation is undertaken by the
14 department of transportation.

15 2. Property listed on the state register of
16 historic places maintained by the historical division
17 of the department of cultural affairs shall not be
18 condemned by the state or a political subdivision
19 unless a joint resolution authorizing commencement of
20 the condemnation proceedings is approved by a vote of
21 at least two-thirds of the members of both chambers
22 of the general assembly and signed by the governor.
23 The approval requirements of this subsection shall not
24 apply to condemnation undertaken by the department of
25 transportation.

26 Sec. ____ . Section 6A.19, Code 2013, is amended to
27 read as follows:

28 6A.19 Interpretative clause.

29 A grant in this chapter of right to take private
30 property for a public use shall not be construed as
31 limiting a like grant elsewhere in the Code for another
32 and different use. Unless specifically provided by
33 law, this chapter shall not be construed to limit or
34 otherwise affect the application of chapters 478 and
35 479 to the eminent domain authority of the utilities
36 division of the department of commerce.

37 Sec. ____ . Section 6A.22, subsection 2, paragraph
38 c, subparagraph (1), Code 2013, is amended to read as
39 follows:

40 (1) (a) If private property is to be condemned for
41 development or creation of a lake, only that number
42 of acres justified as reasonable and necessary for
43 a surface drinking water source, and not otherwise
44 acquired, may be condemned. In addition, the acquiring
45 agency shall conduct a review of prudent and feasible
46 alternatives to provision of a drinking water source
47 prior to making a determination that such lake
48 development or creation is reasonable and necessary.
49 Development or creation of a lake as a surface drinking
50 water source includes all of the following:

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1 (i) Construction of the dam, including sites for
2 suitable borrow material and the auxiliary spillway.
3 (ii) The water supply pool.
4 (iii) The sediment pool.
5 (iv) The flood control pool.
6 (v) The floodwater retarding pool.
7 (vi) The surrounding area upstream of the dam
8 no higher in elevation than the top of the dam's
9 elevation.
10 (vii) The appropriate setback distance required
11 by state or federal laws and regulations to protect
12 drinking water supply.

13 (b) For purposes of this subparagraph (1), "number
14 of acres justified as reasonable and necessary for
15 a surface drinking water source" means according to
16 guidelines of the United States natural resource
17 conservation service and according to analyses of
18 ~~surface~~ drinking water capacity needs conducted
19 by one or more registered professional engineers.
20 The registered professional engineers may, if
21 appropriate, employ standards or guidelines other
22 than the guidelines of the United States natural
23 resource conservation service when determining the
24 number of acres justified as reasonable and necessary
25 for a surface drinking water source. The data and
26 information used by the registered professional
27 engineers shall include data and information relating
28 to population and commercial enterprise activity for
29 the area from the two most recent federal decennial
30 censuses unless the district court of the county in
31 which the property is situated has determined by a
32 preponderance of the evidence that such data would
33 not accurately predict the population and commercial
34 enterprise activity of the area in the future.

35 (c) A second review or analysis of the drinking
36 water capacity needs shall be performed upon receipt
37 by the acquiring agency of a petition signed by not
38 less than twenty-five percent of the affected property
39 owners. The registered professional engineer to
40 perform the second review or analysis shall be selected
41 by a committee appointed by the affected property
42 owners and whose membership is comprised of at least
43 fifty percent property owners affected by the proposed
44 condemnation action. The acquiring agency shall be
45 responsible for paying the fees and expenses of such
46 an engineer.

47 (d) If private property is to be condemned for
48 development or creation of a lake, the plans, analyses,
49 applications, including any application for funding,
50 and other planning activities of the acquiring agency

1 shall not include or provide for the use of the lake
2 for recreational purposes.

3 Sec. _____. Section 6B.54, subsection 10, paragraph
4 a, Code 2013, is amended by adding the following new
5 subparagraph:

6 NEW SUBPARAGRAPH. (3) Reasonable attorney fees and
7 reasonable costs not to exceed one hundred thousand
8 dollars, attributable to a determination that the
9 creation of a lake through condemnation includes a
10 future recreational use or that a violation of section
11 6A.22, subsection 2, paragraph "c", subparagraph (1),
12 subparagraph division (d), has occurred, if such fees
13 and costs are not otherwise provided under section
14 6B.33.

15 Sec. _____. NEW SECTION. 6B.56B Disposition of
16 condemned property ---- two-year time period.

17 1. When two years have elapsed since property
18 was condemned for the creation of a lake according
19 to the requirements of section 6A.22, subsection 2,
20 paragraph "c", subparagraph (1), and the property has
21 not been used for or construction has not progressed
22 substantially from the date the property was condemned
23 for the purpose stated in the application filed
24 pursuant to section 6B.3, and the acquiring agency has
25 not taken action to dispose of the property pursuant
26 to section 6B.56, the acquiring agency shall, within
27 sixty days, adopt a resolution offering the property
28 for sale to the prior owner at a price as provided in
29 section 6B.56. If the resolution adopted approves an
30 offer of sale to the prior owner, the offer shall be
31 made in writing and mailed by certified mail to the
32 prior owner. The prior owner has one hundred eighty
33 days after the offer is mailed to purchase the property
34 from the acquiring agency.

35 2. If the acquiring agency has not adopted a
36 resolution described in subsection 1 within the
37 sixty-day time period, the prior owner may, in writing,
38 petition the acquiring agency to offer the property
39 for sale to the prior owner at a price as provided in
40 section 6B.56. Within sixty days after receipt of
41 such a petition, the acquiring agency shall adopt a
42 resolution described in subsection 1. If the acquiring
43 agency does not adopt such a resolution within sixty
44 days after receipt of the petition, the acquiring
45 agency is deemed to have offered the property for sale
46 to the prior owner.

47 3. The acquiring agency shall give written notice
48 to the owner of the right to purchase the property
49 under this section at the time damages are paid to the
50 owner.

1 Sec. _____. Section 403.7, subsection 1, unnumbered
2 paragraph 1, Code 2013, is amended to read as follows:

3 A municipality shall have the right to acquire by
4 condemnation any interest in real property, including a
5 fee simple title thereto, which it may deem necessary
6 for or in connection with an urban renewal project
7 under this chapter, subject to the limitations on
8 eminent domain authority in ~~chapter~~ chapters 6A and 6B.
9 However, a municipality shall not condemn agricultural
10 land included within an economic development area
11 for any use unless the owner of the agricultural land
12 consents to condemnation or unless the municipality
13 determines that the land is necessary or useful for any
14 of the following:

15 Sec. _____. NEW SECTION. 423B.11 Use of revenues ----
16 limitation.

17 The revenue raised by a local sales and services
18 tax imposed under this chapter by a county shall not
19 be expended for any purpose related to a project that
20 includes the condemnation of private property for
21 the creation of a lake according to the requirements
22 of section 6A.22, subsection 2, paragraph "c",
23 subparagraph (1), if the local sales and services tax
24 has not been approved at election in the area where the
25 property to be condemned is located.

26 Sec. _____. Section 455A.5, Code 2013, is amended by
27 adding the following new subsection:

28 NEW SUBSECTION. 7. The authority granted to the
29 commission to acquire real property for purposes
30 of carrying out a duty related to development or
31 maintenance of the recreation resources of the state,
32 including planning, acquisition, and development of
33 recreational projects, and areas and facilities related
34 to such projects, shall not include the authority to
35 acquire real property by eminent domain.

36 Sec. _____. Section 456A.24, subsection 2, unnumbered
37 paragraph 1, Code 2013, is amended to read as follows:

38 Acquire by purchase, ~~condemnation~~, lease, agreement,
39 gift, and devise lands or waters suitable for the
40 purposes hereinafter enumerated, and rights-of-way
41 thereto, and to maintain the same for the following
42 purposes, ~~to wit~~:

43 Sec. _____. Section 456A.24, Code 2013, is amended by
44 adding the following new subsection:

45 NEW SUBSECTION. 15. The authority granted the
46 department to acquire real property for any statutory
47 purpose relating to the development or maintenance
48 of the recreation resources of the state, including
49 planning, acquisition, and development of recreational
50 projects, and areas and facilities related to such

1 projects, shall not include the authority to acquire
2 real property by eminent domain.

3 Sec. _____. Section 461A.7, Code 2013, is amended to
4 read as follows:

5 461A.7 ~~Eminent domain~~ Purchase of lands ---- public
6 parks.

7 The commission may purchase ~~or condemn~~ lands from
8 willing sellers for public parks. ~~No~~ A contract for
9 the purchase of such public parks shall not be made to
10 an amount in excess of funds appropriated therefor by
11 the general assembly.

12 Sec. _____. Section 461A.10, Code 2013, is amended to
13 read as follows:

14 461A.10 Title to lands.

15 The title to all lands purchased, ~~condemned~~, or
16 donated, hereunder, for park ~~or highway~~ purposes and
17 the title to all lands purchased, condemned, or donated
18 hereunder for highway purposes, shall be taken in the
19 name of the state and if thereafter it shall be deemed
20 advisable to sell any portion of the land so purchased
21 or condemned, the proceeds of such sale shall be placed
22 to the credit of the ~~said~~ public state parks fund to be
23 used for such park purposes.

24 Sec. _____. Section 463C.8, subsection 1, paragraph
25 k, Code 2013, is amended to read as follows:

26 k. The power to acquire, own, hold, administer,
27 and dispose of property, except that such power is not
28 a grant of authority to acquire property by eminent
29 domain.

30 Sec. _____. REPEAL. Sections 461A.9 and 461A.75,
31 Code 2013, are repealed.

32 Sec. _____. SEVERABILITY. If any provision of this
33 division of this Act is held invalid, the invalidity
34 shall not affect other provisions or applications of
35 this division of this Act which can be given effect
36 without the invalid provision, and to this end the
37 provisions of this division of this Act are severable
38 as provided in section 4.12.

39 Sec. _____. EFFECTIVE UPON ENACTMENT. This division
40 of this Act, being deemed of immediate importance,
41 takes effect upon enactment.

42 Sec. _____. APPLICABILITY. Except as otherwise
43 provided in this division of this Act, this division
44 of this Act applies to projects or condemnation
45 proceedings pending or commenced on or after the
46 effective date of this division of this Act.

47 Sec. _____. RETROACTIVE APPLICABILITY.
48 Notwithstanding any provision of law to the contrary,
49 the following provision or provisions of this division
50 of this Act apply retroactively to projects or

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1 condemnation proceedings pending or commenced on or
2 after February 15, 2013:

3 1. The section of this division of this Act
4 amending section 6A.22.

5 2. The section of this division of this Act
6 enacting section 6B.56B.>

7 2. Title page, by striking lines 1 and 2 and
8 inserting <An Act relating to the use of public and
9 private land, including the registration and titling>

10 3. Title page, line 4, after <program> by inserting
11 <, and to eminent domain authority and procedures, and
12 including effective date, retroactive applicability,
13 and other applicability provisions>

14 4. By renumbering as necessary.

By KAUFMANN of Cedar

H-1264 FILED APRIL 8, 2013

SENATE FILE 304

H-1256

1 Amend the amendment, H-1241, to Senate File 304,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 1, by striking lines 12 and 13 and
5 inserting:

6 <n. One member who is a member of the office
7 of motor vehicle enforcement of the department of
8 transportation appointed by the>

By WORTHAN of Buena Vista

H-1256 FILED APRIL 8, 2013

SENATE FILE 355

H-1258

1 Amend Senate File 355, as passed by the Senate, as
2 follows:
3 1. Page 1, before line 1 by inserting:
4 <Section 1. Section 321.453, Code 2013, is amended
5 to read as follows:
6 321.453 Exceptions.
7 The provisions of this chapter governing size,
8 weight, and load, and the permit requirements
9 of chapter 321E do not apply to ~~fire~~ any of the
10 following:>
11 1. Fire apparatus, ~~road~~.>
12 2. Road maintenance equipment owned by, or under
13 lease to, a state or local authority, or used in
14 the performance of a contract with any a state or
15 local authority, ~~or to implements~~, even if the road
16 maintenance equipment is not used exclusively in the
17 performance of such a contract.>
18 3. Implements of husbandry moved or moving upon a
19 highway, except for those implements of husbandry moved
20 or moving on any portion of the interstate and except
21 as provided in sections 321.463, 321.471, and 321.474.
22 A vehicle, carrying an implement of husbandry, which
23 is exempted from the permit requirements under this
24 section shall be equipped with an amber flashing light
25 visible from the rear. If the amber flashing light
26 is obstructed by the loaded implement, the loaded
27 implement shall also be equipped with and display
28 an amber flashing light. The vehicle shall also be
29 equipped with warning flags on that portion of the
30 vehicle which protrudes into oncoming traffic, and
31 shall only operate from thirty minutes prior to sunrise
32 to thirty minutes following sunset.>
33 2. By renumbering as necessary.

By J. SMITH of Dickinson

H-1258 FILED APRIL 8, 2013

SENATE FILE 358

H-1261

1 Amend Senate File 358, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 3, line 1, by striking <who> and inserting
4 <the vendor of which>
5 2. Page 3, line 3, after <bond> by inserting <, or
6 a vendee who is entitled to an immediate issuance of a
7 deed in fulfillment of the contract or bond>
8 3. Page 3, line 4, by striking <property> and
9 inserting <property,>
10 4. By renumbering as necessary.

By HAGENOW of Polk

H-1261 FILED APRIL 8, 2013

SENATE FILE 362

H-1268

1 Amend Senate File 362, as passed by the Senate, as
2 follows:

3 1. Page 1, after line 14 by inserting:

4 <Sec. _____. NEW SECTION. 232.101A Transfer of
5 guardianship of child to custodian.

6 1. After a dispositional hearing the court may
7 enter an order transferring guardianship of the child
8 to a custodian if all of the following conditions are
9 met:

10 a. The person receiving guardianship meets the
11 definition of custodian under section 232.2, subsection
12 11.

13 b. The person receiving guardianship has assumed
14 responsibility for the child for at least the six
15 consecutive months prior to filing of the petition
16 under this division and has maintained placement of
17 the child since the filing of the petition under this
18 division.

19 c. The parent of the child does not appear at the
20 dispositional hearing, or the parent appears at the
21 dispositional hearing, does not object to the transfer
22 of guardianship, and agrees to waive the requirement
23 for making reasonable efforts.

24 2. If the court transfers guardianship pursuant to
25 subsection 1, the court may close the child in need of
26 assistance case by transferring jurisdiction over the
27 child's guardianship to the probate court. The court
28 shall inform the proposed guardian of the guardian's
29 reporting duties under section 633.669 and other duties
30 under chapter 633. Upon transferring jurisdiction, the
31 court shall direct the probate clerk, once the proposed
32 guardian has filed an oath of office and identification
33 in accordance with section 602.6111, to issue letters
34 of appointment for guardianship and docket the case in
35 probate. Records contained in the probate case file
36 that were copied or transferred from the juvenile court
37 file concerning the case shall be subject to section
38 232.147 and other confidentiality provisions of this
39 chapter for cases not involving juvenile delinquency.>

40 2. Title page, line 1, after <to> by inserting
41 <transfer of guardianship and to>

42 3. By renumbering as necessary.

By WESSEL-KROESCHELL of Story
DAWSON of Woodbury

H-1268 FILED APRIL 8, 2013

SENATE FILE 384

H-1265

1 Amend Senate File 384, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. By striking page 2, line 2, through page 3, line
4 20.

5 2. Title page, lines 3 and 4, by striking
6 <interference with official acts,>

By BAUDLER of Adair
R. OLSON of Polk

H-1265 FILED APRIL 8, 2013

SENATE FILE 386

H-1257

1 Amend Senate File 386, as passed by the Senate, as
2 follows:

3 1. Page 1, after line 9 by inserting:

4 <Sec. _____. Section 321.1, subsections 12A, 37, 59,
5 and 74, Code 2013, are amended to read as follows:

6 12A. "Completed motor vehicle" means a motor vehicle
7 which does not require any additional manufacturing
8 operations to perform its intended function except the
9 addition of readily attachable equipment, components,
10 or minor finishing operations. "Completed motor
11 vehicle" also includes a glider kit vehicle.

12 37. "Manufacturer" means every person engaged in
13 the business of fabricating or assembling vehicles of
14 a type required to be registered. ~~It~~ "Manufacturer"
15 does not include a person who converts, modifies,
16 or alters a completed motor vehicle manufactured by
17 another person or a person who assembles a glider kit
18 vehicle. ~~It~~ "Manufacturer" includes a person who uses
19 a completed motor vehicle manufactured by another
20 person to construct a class "B" motor home as defined
21 in section 321.124.

22 59. "Reconstructed vehicle" means every vehicle of
23 a type required to be registered under this chapter
24 materially altered from its original construction by
25 the removal, addition, or substitution of essential
26 parts, new or used. "Reconstructed vehicle" does not
27 include a street rod, ~~or~~ replica vehicle, or glider kit
28 vehicle.

29 74. "Specially constructed vehicle" means every
30 vehicle of a type required to be registered under
31 this chapter not originally constructed under a
32 distinctive name, make, model, or type by a generally
33 recognized manufacturer of vehicles and not materially
34 altered from its original construction. ~~A "specially~~
35 "Specially constructed vehicle" does not include a
36 street rod, or replica vehicle, or glider kit vehicle.>

37 2. Page 1, after line 32 by inserting:

38 <Sec. _____. Section 321.1, Code 2013, is amended by
39 adding the following new subsection:

40 NEW SUBSECTION. 28B. "Glider kit vehicle" means
41 a commercial motor vehicle, as defined in subsection
42 11, that is a combination of a new cab and a new frame
43 with an engine, transmission, and drive axle that are
44 not new such that the resulting vehicle is not a newly
45 manufactured vehicle pursuant to 49 C.F.R. { 571.7(e).>

46 3. Page 3, after line 3 by inserting:

47 <Sec. _____. Section 321.45, subsection 1, Code 2013,
48 is amended by adding the following new paragraph:

49 NEW PARAGRAPH. d. Notwithstanding paragraph "c",
50 a glider kit vehicle shall take the identity of the

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1 new cab and the new frame used in the assembly of the
2 glider kit vehicle.>

3 4. Page 8, after line 11 by inserting:

4 <Sec. _____. Section 322.2, subsections 2 and 11,
5 Code 2013, are amended to read as follows:

6 2. "Completed motor vehicle" means a motor vehicle
7 which does not require any additional manufacturing
8 operations to perform its intended function except the
9 addition of readily attachable equipment, components,
10 or minor finishing operations. "Completed motor
11 vehicle" also includes a glider kit vehicle as defined
12 in section 321.1.

13 11. "Manufacturer" means any person engaged in
14 the business of fabricating or assembling motor
15 vehicles. ~~It~~ "Manufacturer" does not include a person
16 who converts, modifies, or alters a completed motor
17 vehicle manufactured by another person or a person who
18 assembles a glider kit vehicle as defined in section
19 321.1. ~~It~~ "Manufacturer" includes a person who uses a
20 completed motor vehicle manufactured by another person
21 to construct a class "B" motor home as defined in
22 section 321.124.>

23 5. Page 8, after line 13 by inserting:

24 <Sec. _____. EFFECTIVE UPON ENACTMENT. The following
25 provision or provisions of this Act, being deemed of
26 immediate importance, take effect upon enactment:

27 1. The section of this Act amending section 321.1,
28 subsections 12A, 37, 59, and 74.

29 2. The section of this Act enacting section 321.1,
30 subsection 28B.

31 3. The section of this Act enacting section 321.45,
32 subsection 1, paragraph "d".

33 4. The section of this Act amending section 322.2,
34 subsections 2 and 11.>

35 6. Title page, line 6, after <periods,> by
36 inserting <regulation of glider kit vehicles,>

37 7. Title page, line 10, after <contracts> by
38 inserting <, and including effective date provisions>

39 8. By renumbering as necessary.

COMMITTEE ON WAYS AND MEANS

SANDS of Louisa, Chairperson

Fiscal Note

Fiscal Services Division



HF 621 – Property Assessment Appeal Board Revisions (LSB 2507HV)
Analyst: Dwayne Ferguson (Phone: (515) 281-6561) (dwayne.ferguson@legis.iowa.gov)
Fiscal Note Version – New

Description

House File 621 strikes the July 1, 2013, sunset of the Property Assessment Appeal Board (PAAB) and eliminates the PAAB Review Committee. The Bill also modifies the grounds for filing an appeal and changes the deadline for appeals to be within 20 days of the adjournment of the local board of review or May 31, whichever is later. The Bill allows for waiving the 30 appeal hearing notice upon mutual agreement of all parties to the appeal.

Assumptions

- The PAAB will continued to be funded by an allocation from Department of Revenue funding.
- The PAAB will continue to operate with the same staffing and use of resources as in the past, and the associated costs will grow by 1.0% annually.
- If the PAAB were sunset, some of the appeals would shift to the district court. The number that would shift has not been determined.
- The changes in deadline and the option to waive the 30-day notice only minimally affect board operations.

Fiscal Impact

If the PAAB were allowed to sunset under current law, the cost of its operation would be eliminated. Since this Bill eliminates the sunset, the costs the board to continue to operate are estimated to be \$874,000 in FY 2014 and \$882,000 in FY 2015.

Sources

Department of Revenue
Iowa State Association of Counties

/s/ Holly M. Lyons

April 8, 2013

The fiscal note for this bill was prepared pursuant to **Joint Rule 17** and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.



HF 625 – School Tuition Organization Tax Credit (LSB 2259HV)
Analyst: Jeff Robinson (Phone: (515) 281-4614) (jeff.robinson@legis.iowa.gov)
Fiscal Note Version – New

Description

House File 625 increases the School Tuition Organization (STO) Tax Credit annual cap from \$8.75 million to \$12.0 million effective tax year 2014. This bill also amends the STO Tax Credit to allow a contribution made by a partnership, limited liability company, S Corporation, estate or trust electing to have the income taxed directly to the individual to qualify for the tax credit. This provision of the Bill is retroactive to January 1, 2013.

Background

The STO Tax Credit is an income tax credit allowed for voluntary contributions to private nonprofit school tuition organizations that award tuition scholarships to eligible students to attend qualified nonpublic elementary or secondary schools in this state. The credit is equal to 65.0% of the amount contributed and it is allowed for cash and noncash contributions. The tax credit was created in **SF 2409** (STO Tax Credit Act of 2006) with a tax year 2006 maximum of \$2.5 million and a maximum for future fiscal years of \$5.0 million.

Assumptions

- The historical timeframe associated with tax credit awards and tax credit redemptions will not change.
- The full tax credit cap will be awarded each year.
- The STO Tax Credit is nonrefundable.
- Nonrefundable tax credits reduce the statewide yield from the local option income surtax for schools by 2.7% of the State General Fund impact.

Fiscal Impact

The \$3.25 million increase in the annual STO Tax Credit maximum is projected to reduce net General Fund revenue by the following amounts:

- FY 2015 = \$ -2.45 million
- FY 2016 = \$ -3.08 million
- FY 2017 = \$ -3.19 million
- FY 2018 = \$ -3.25 million

The impact continues beyond FY 2018 at a negative \$3.25 million per fiscal year.

As a nonrefundable tax credit, the STO Tax Credit will also reduce the statewide yield from the local option income surtax for schools by \$88,000 per tax year.

Source

Department of Revenue

/s/ Holly M. Lyons

April 8, 2013

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

Fiscal Note

Fiscal Services Division



HF 336 – Capital Gains Tax Exemption (LSB 2096HH)

Analyst: Jeff Robinson (Phone: (515) 281-4614) (jeff.robinson@legis.iowa.gov)

Fiscal Note Version – New

Description

House File 336 creates a new individual income tax exemption for the net capital gains received from the sale or exchange of qualified capital stock. Qualified capital stock is defined as stock received “on account of employment” with a company and while employed by the company.

Each taxpayer is allowed to apply the exemption to one company in their life, and the exemption extends to the stock of affiliate companies of the employer. The exemption extends to gifts and trusts. Qualified heirs are allowed to make the designation in instances where the person dies without making a designation.

This Bill is effective on enactment and applies retroactively to tax year 2013 and after.

Background

The state of Nebraska has had a similar capital stock income tax exemption in place since 1987. The Nebraska law includes stock of the employer purchased while employed by the company, so it is not limited to just stock received as compensation. The Nebraska law also applies to extraordinary dividends (dividends in excess of 20.0% of the stock's market value) received by the employee through ownership of qualified capital stock.

Nebraska publishes estimates of the revenue impacts of their income tax preferences every two years. Over the course of the past five reports, the Nebraska estimate of the annual impact of this exemption averaged \$30.3 million.

Assumptions

- The Nebraska Department of Revenue reports that approximately 20.0% of the income exempted from Nebraska income tax through this capital stock exemption is due to the dividend exemption and 80.0% is due to the capital gains exemption.
- In tax years 2009 and 2010, Nebraska taxpayers excluded an average of \$375.5 million through the Nebraska capital stock exemption. Applying the 80.0% factor from number 1 above provides a Nebraska capital gains exemption of \$300.4 million each year.
- Nebraska taxpayers reported an average of \$1,623.9 million in capital gains on their tax year 2009 and 2010 federal tax returns, making the \$300.4 million exemption equal to 18.5% of all Nebraska capital gains reported.
- Iowa taxpayers reported an average of \$1,784.9 million in capital gains for tax years 2009 and 2010. Applying the 18.5% experience of Nebraska, Iowa taxpayers would expect the exclusion to equal \$330.2 million each year.

- Nebraska law applies not only to stock received as compensation, but also to stock of the employer that is purchased by the employee while employed by the company. House File 336 does not extend the benefit to stock that is simply purchased by the employee, so the Iowa impact is expected to be less. To account for this difference, the estimated capital gains exemption is limited to 80.0%, or \$264.2 million per year.
- Tax years 2009 and 2010 were significantly impacted by the recession, so capital gains were depressed. To adjust for the improvements in capital markets since tax year 2010, the \$264.2 million impact is multiplied by 127.4%, providing a tax year 2013 estimate of \$336.6 million. The tax year 2013 amount is also assumed for future tax years in the estimate.
- The average Iowa marginal tax rate is assumed to be 7.5%. This results in a projected annual General Fund revenue reduction of \$25.2 million.
- Although the exemption is retroactive to January 1, 2013, no FY 2013 impact is assumed. The impact of tax year 2013 capital gains events will all accrue to FY 2014.
- With the exception of refundable tax credits, tax changes that impact Iowa individual income tax owed also impacts the revenue raised by the local option income surtax for schools. For the 12 months ending December 2012, the statewide yield from the surtax equaled 2.7% of net State income tax receipts.

Fiscal Impact

The new capital stock income tax exemption created in the Bill is projected to reduce net General Fund revenue by \$25.2 million per fiscal year, beginning in FY 2014.

The impact on revenue generated by the local option income surtax for schools is projected to be 2.7% of the State General Fund impact, or \$680,000 per year.

According to Nebraska tax statistics, this tax exemption is claimed by less than 0.1% of all Nebraska taxpayers. Due to the very small percentage of taxpayers involved, the actual impact in Iowa could be significantly different if the distribution and income sources of Iowa taxpayers within the impacted groups are significantly different than Nebraska taxpayers.

Sources

Nebraska Department of Revenue
Nebraska Tax Expenditure studies
Legislative Services Agency analysis
Iowa Department of Revenue

/s/ Holly M. Lyons

April 8, 2013

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

Fiscal Note

Fiscal Services Division



HF 619 – All Terrain Vehicles on Secondary Roads (LSB 1968HZ)
Analyst: David Heuton (Phone: (515) 725-0509) (david.heuton@legis.iowa.gov)
Fiscal Note Version – New

Description

House File 619 amends Iowa [Code chapters 321](#) and [321I](#) to provide for the registration of all-terrain vehicles (ATVs) authorized for operation on secondary roads or city streets where authorized by local ordinance. Operators must be age 16 or older and possess a valid driver's license. This Bill establishes an annual registration fee of \$50.00 under new Iowa Code section 321.118 for ATVs operated on secondary roads or city streets. These registration fees are in addition to the requirements of Iowa Code chapter 321I. All ATVs utilized exclusively as a farm implement are exempt from registration fees.

Background

Pursuant to [Iowa Code section 321I.3](#), all ATVs utilized on public lands or on designated riding trails in the state must register the ATV with the Department of Natural Resources (DNR). All ATVs registered under the new Iowa Code section 321.118 will also need to be registered with the DNR with the passage of this Bill.

Assumptions

Because new Iowa Code section 321.118 requires that all ATVs registered under the section must also be registered with the DNR, it is assumed that all ATVs presently required to be registered with the DNR under the current of Iowa Code chapter 321I will be subject to the registration fee created under the new Iowa Code section 321.118. The DNR reports there are currently approximately 40,000 ATVs registered with the department.

The annual registration fee under the new Iowa Code section 321.118 will be \$50.00 per year. ATVs will remain exempt from the fee for a new registration and subject to sales tax.

Fiscal Impact

New registration fees established in this Bill will increase revenue to the TIME-21 fund by an estimated \$2.0 million (40,000 ATVs x \$50.00). This Bill does not have an impact on the revenue deposited to the State General Fund as a result of sales tax on ATVs.

Source

DNR

/s/ Holly M. Lyons

April 5, 2013

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
